

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

August 28, 2009

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.:00OD-532

Oahu

Amend Prior Board Action of July 14, 2000, Item D-1, April 27, 2007, Item D-13, and February 13, 2009, Item D-4, Rescind Prior Land Board Approval and Set Aside to Housing and Community Development Corporation of Hawaii for a Senior Project with Assisted Living and/or Health Support Services and a Management Right-of-Entry, Kaakaukui, Honolulu, Oahu, Tax Map Key (1) 2-1-051:portion of 009

Background:

On July 14, 2000, item D-1, the Board authorized to recommend to the Governor setting aside the subject property to Housing and Community Development Corporation of Hawaii for a senior project with assisted living and/or health care support services.

On April 27, 2007, item D-13, the Board amended its prior action by changing the applicant to Hawaii Housing Finance and Development Corporation (HHFDC), the purpose became Halekauwila Place affordable family rental housing project, and gave its consent to the 65-year lease between HHFDC and the project developer.

On February 13, 2009, item D-4, the Board further amended its prior action by authorizing HHFDC to proceed with the condominium property regime for the project.

Remarks:

HHFDC is undertaking the subdivision process at the City and County of Honolulu (City). According to the proposed subdivision map (Exhibit A), the housing project will straddle over Lot 4 & 5, which triggers the joint development agreement to enable the development considered as one zoning lot.

Lot 6, upon subdivision approval, is intended to be used as a portion of the adjacent road. development of the project over Lots 4 & 5, HHFDC requests the Board determine Lot 6 (193 square feet) as a remnant and authorize the sale of Lot 6 at gratis pursuant to Section 171-52, HRS. Subsequent to receipt of HHFDC's request, HHFDC's staff advises that the grantee would be the City and County of Honolulu. Staff understands Lot 6 is created as a requirement of the subdivision approval. With its small area, it cannot be developed as an economic unit. Staff

concurs with HHFDC's proposal and recommends the Board authorize the sale of Lot 6 as remnant at gratis.

HHFDC also asks the Board authorize HHFDC or the Chairperson to execute "all applications, agreements, and land restrictions required for all approvals or permits required for the development of the project." Staff recommends the Board authorize HHFDC apply on behalf of the State for all permits or approvals required for the project, but the Chairperson would be the one execute relevant documents on behalf of the State. A copy of HHFDC latest request is attached as Exhibit B.

HHFDC shall be responsible for all costs related to the above amendments. Staff has no objections to the first two requests. Staff did not solicit comments from other agencies.

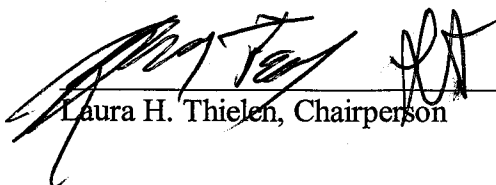
RECOMMENDATION: That the Board amend its prior Board actions of July 14, 2000, Item D-1, April 27, 2007, item D-13, and February 13, 2009, item D-4 by:

1. Authorizing the Chairperson execute the joint development agreement for the development of the project;
2. Authorizing the sale of Lot 6 to the City and County of Honolulu as appropriate, and further subject to the following:
 - A. The standard terms and conditions of the most current deed or grant (remnant) form, as may be amended from time to time;
 - B. Review and approval by the Department of the Attorney General; and
 - C. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State; and
3. Authorizing Hawaii Housing Finance and Development Corporation to act on behalf of the State for all permits applications relating to the development of the project.

Respectfully Submitted,


Barry Cheung
District Land Agent

APPROVED FOR SUBMITTAL:


Laura H. Thielen, Chairperson

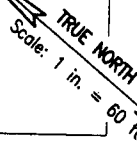


EXHIBIT "A"

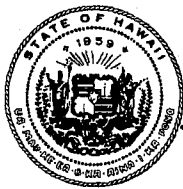
By: _____
 Licensed Professional Land Surveyor
 Certificate Number 7946
 License Expires 4/08



10" X 15"
June 7, 2007
Revised - Aug. 28, 2007

45214

LINDA LINGLE
GOVERNOR



KAREN SEDDON
EXECUTIVE DIRECTOR

RECEIVED

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

677 QUEEN STREET, SUITE 300

Honolulu, Hawaii 96813

FAX: (808) 587-0600

DEPT. OF LAND
& NATURAL RESOURCES
STATE OF HAWAII

IN REPLY REFER TO:

09:DEV/0136

August 5, 2009

To: Laura H. Thielen, Chairperson
Board of Land and Natural Resources

From: Karen Seddon
Executive Director

Subject: Approval to Execute and Record Joint Development Agreement
Dedication of Remnant Roadway Lot
Other Documents Required for Approvals and Permits
Halekauwila Place
Kakaako, Oahu, Hawaii
TMK (1) 2-1-51: 09 (portion of)

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Tentative subdivision approval of the project site for the above subject Halekauwila Place project was granted by the City and County of Honolulu on November 2, 2007. See enclosed Tentative Approval dated November 2, 2007 and Preliminary Plan dated August 28, 2007. The existing property boundary for the ceded land portion of the project site (proposed Lot 5) was retained so the project site consists of two lots (proposed Lots 4 and 5).

The proposed Halekauwila Place project will straddle the proposed Lots 4 and 5 tentatively approved for subdivision. As a result, after final subdivision approval, a joint development agreement will be required to be executed and recorded on the fee simple title to enable the Halekauwila Place project to be built as one zoning lot. See attached HHFDC letter to the Department of Planning and Permitting dated July 30, 2009.

We request Board of Land and Natural Resources approval of the following:

1. Authorization to the Department of Land and Natural Resources (DLNR) or the Hawaii Housing Finance and Development Corporation (HHFDC) to execute and encumber the fee simple title of the project site with a joint

EXHIBIT "B"

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development agreement to enable development of the Halekauwila Place project as one zoning lot;

2. Dedication of the proposed Lot 6, 193 square feet, to the Hawaii Community Development Authority or the City and County of Honolulu, to become a part of the adjacent streets, as a remnant lot pursuant to Act 176 Session Laws of Hawaii 2009; and
3. Authorization to DLNR or HHFDC to execute all applications, agreements, and land restrictions required for all approvals or permits required for the development of the project, including exemptions from zoning requirements and fees pursuant to Sections 46-15 or 201H-38, Hawaii Revised Statutes.

Please also be advised that the developer's most recent plans propose an increase of 8 units in the Halekauwila Place project to a 204-unit (increase from 196-units) family rental housing project, with the additional 8 units affordable to families ranging between 80% and below, to up to 140% and below the median income of the U.S. Department of Housing and Urban Development (HUD) as shown on the attached Unit Count and Target Market sheet dated July 31, 2009, with an option for up to 68% of the total units in the project as rent-to-own units at up to 140% and below the HUD median income and 32% of the total units in the project as family rental units at 100% and below the HUD median income, as otherwise previously approved by the Board of Land and Natural Resources. One of the units may be converted to a resident manager's unit. See attached schematic design plans of selected floors and elevations received by HHFDC on August 3, 2009.

Should there be any questions or comments regarding this matter, please contact Stan S. Fujimoto, Project Manager, at 587-0541.

Enclosures

c: Jesse Wu, Stanford Carr Development, LLC, memo only